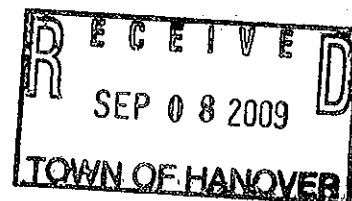




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September 10, 2009

Dartmouth College is pleased to support the Town of Hanover's proposal to municipalize the water service currently provided by Hanover Water Works Company, Inc.

As the largest customer of Hanover Water Works, Dartmouth shares the interest of all system users in the provision of efficient and economical water service. We believe that a municipalized water service will achieve significant cost savings and service improvements by:

- Avoiding the significant legal and accounting costs of rate regulation by the New Hampshire Public Utilities Commission (PUC).
- Allowing the municipal system to accumulate reserves for capital improvements via its rate structure -- a practice not allowed under PUC regulations -- enabling the system to avoid finance charges incurred as currently organized.
- Providing access to tax-exempt bond rates whenever the water utility does need to borrow.
- Avoiding state utility taxes, PUC annual utility taxes, and state and federal business profits taxes.
- Achieving many other cost savings including: allowing the Town to bring the water utility under its property and liability policies, folding the billing and accounts payable functions into the Town's system, reducing annual audit expenses and saving on software license fees.

Moreover, in the heavily regulated field of water distribution, the Town is simply in a better position than the jointly owned Hanover Water Works Company to manage and operate a water utility. Because the Town of Hanover has operated the system under contract from the Hanover Water Works Company since 2003, Dartmouth expects that the only changes resulting from municipalization will be the savings and efficiencies described above.

We hope Hanover residents will join us in support of the municipalization proposal at the Special Town Meeting in October.

Sincerely,

Adam Keller  
Executive Vice President for Finance  
and Administration